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21.7.47

R. Dis **File No.** 131

1939.

Collection No.

P 39

(2)

~~Pros.~~ Serial **Nos.** 1 – 13

S. R. G.

Dis

Subject.

Tobacco Manufacturers India Ltd.,

Provident Fund Rules

Previous References.

Later References.

R 237/40

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4/11/46

Dy. No. 989 S. No 1

1 The Tobacco Manufacturers (India) Ltd. request that the approval of the Resident may be accorded under section 7(2)(i) of the Payment of Wages Act, 1936, to the institution of a Provident Fund in their Factory.

2 It appears the scope of section 7(2)(i) of the Act has not been properly conceived. The Payment of Wages Act is designed to regulate the payment of Wages to certain classes of persons employed in industry. Section 7 enjoins that the wages of an employed person shall be paid to him without deductions of any kind except those authorised by or under this Act, and permits certain kinds of deductions from wages: one such kind is deductions for subscriptions to 3 classes of provident funds, (1) any provident fund to which the Provident Funds Act applies, (2) any recognise provident fund as defined in section 58-A of the Income-tax Act, and (3) any other provident fund approved in this behalf by the Resident, during the continuance of such approval. What is contemplated appears to be the approval of a particular provident fund for purposes of deductions of wages therefor, and not the approval of the Resident to the institution of a provident fund. The words "during the continuance of such approval" lend support to the view that the approval required is for the prupose of the deductions of wages and not for the instituion of the Fund, and the Payment of Wages Act authorises the deduction of wages from any provident fund approved by the Resident, and the deduction can be made only during the continuance of such approval. The intention apparently is to protect the interests of poor wage earners, whose scanty wages may not be frittered away in the shape of subscriptions to ill-organised provident funds or co-operative Societies in ill managed factories and other industrial establishments.

The

3

The Tobacco Manufacturers (India) Ltd. is a stable and long standing company incorporated in the British Isles. Similar approval will have been obtained by them from Provincial Governments in British India in respect of deduction from wages of persons employed in the factories at Monghyr and Saharanpur. After obtaining the concurrence of the District Magistrate, it appears approval may be accorded under section 7(2)(i) of the Payment of Wages Act, as applied to the Station.

DSRao
1.2.39

(from para 1)

Secretary.

4. They are at the moment applying for approval of Provincial Govts. If D.M. has no objection, we will give approval under the Payment of Wages Act, which will give them authority to make deductions from wages.

2/2/39.

D.M. U/O.

District Magistrate, Cantt. Station, Bangalore.

OFFICE OF THE HON'BLE THE RESIDENT IN MYSORE, BANGALORE.
6 FEB. 1939
Diary No. 1286
File No.

u/o. No. D. 989-39/R.O.I, dated the 2nd Feb. '39

5. No objection.

5/2/39

6/2/39

D.Rao
7.2.39

U.O. No. 428-B.39 Dt 5-2-39.

6. Under the various clauses of section 7(2) of the Act, deductions may be made from the wages of employed persons. On a Provincial Government approving of a particular provident fund, deductions may be made from wages for subscriptions to, and for repayment of advances from that fund. District Magistrate is of the opinion that the rules are adequate. The Company apparently have not yet obtained the approval of other Provincial Governments, and this Administration will be the first to accord the statutory approval. The Registrar of Joint Stock Companies, who is acquainted with the Company's affairs more intimately, may, it appears, also be consulted. Draft is submitted for approval.

para 5

PsRao
10.2.39

(from para 4)

Secretary.

11/2/39

Registrar v/o for his opinion

h 13/2

Registrar of Joint Stock Companies, C.P. Sh. Bangalore
u/o No. D. 989-35/R.O.T. dated 11th Feb. '35

7. The Provident Fund is constituted for three companies in different parts of India. This may not be advantageous to the employees of any one company. It seems desirable to have a separate fund for the employees of the Tobacco Manufacturers (India) Ltd., at Bangalore.

Rule 3.

The management of the Fund will be vested in managers at Calcutta. The Fund being constituted in Calcutta it will, I think, be very difficult and expensive for the employees or their legal representatives in

Bangalore to deal with the managers at Calcutta whenever any dispute arises.

Rule 5.

It seems preferable to fix a maximum and a minimum contribution with an option to the employee to contribute as he pleases rather than fix a definite contribution for all the employees. Further, "earnings" have been defined in Rule 2 as the amount not exceeding Rs.400/- per month paid to an employee. According to sub-section 6 of Section 1, the Payment of Wages Act is not applicable to wages payable in respect of a wage period which average Rs.200/- a month or more. Hence the recognition of a deduction in the case of contribution to the Provident Fund is only applicable to deductions made in the wages of employees earning less than Rs.200/-. It cannot apply to the wages of persons who earn between Rs.200/- and Rs.400/-. Hence a modification of the definition of "Earnings" in Rule 2 would appear to be necessary.

10

Rules 8 and 9.

I would suggest that the moneys contributed to the Fund be invested in securities referred to in Section 20 of the Indian Trusts Act, 1882, on the analogy of Section 282B(2) of the Indian Companies Act, 1913. It is also desirable to make a rule providing for payment of the amount to the employees or their legal representatives in current coin or in currency notes or in both.

11

Rule 20.

This Rule which provides for indemnification of the Company in respect of losses, damages, costs and expenses should, it appears, be consistent with Sections 9 and 10 and the Rules framed under the Payment of Wages Act. If not the procedure will result in avoiding the provisions of the Act by other means. No deduction should be made from the amount of Provident Fund on account of breach of contract by an employee under 15 years of age or

of a woman. The Rule should therefore be suitably modified.

12 Rule 21.

It appears to me that it will be a great hardship on the employees if even an attempted assignment" should be penalised by a forfeiture of the amount in the Fund.

The employee may contract debts due to various reasons. He may not be in any way responsible for the issue of a prohibitory order or an attachment order. That such an order should entail the forfeiture of the amount standing to the credit of his account seems to be against the Act. It will be in the nature of an imposition of fine for no fault of an employee and appears to be against justice and equity. The rule has to be suitably altered.

13 Rule 24.

It seems desirable to provide for notice to be given of the proposed alteration to each member. Mere display of a copy in the Factory appears to be insufficient notice.

14 I would also like to bring to the notice of the Local Government that their approval could with advantage be deferred till the other major Local Governments within whose jurisdiction the Company has its branches accord their approval.

A

REGISTRAR OF JOINT STOCK COMPANIES.

No. 2062

The Secretary to the Hon'ble the Resident in Mysore.

U.O.D.No. 420 , dated the 25th February 1939.

Sec 62 27.2.39

15 I think we had better do this. Write to me. Campbell, please.

27/2/39.

6

Draft to Mr.Campbell is submitted for approval.

A.S.Rao
2.3.39

17

Secretary. May I see as amended & ~~copy of the Dt Judge's note sent to Dt Judge with letter to Mr Campbell~~ file may be sent to Dt. Judge, as Mr. Campbell will probably call on him about this

H.Rudra
3/3/39.

Hon'ble Resident. approved
PG 3/3.

S.N.2. Issue

14/3

DISTRICT SESSIONS CO. R.
14 MAR. 1939

19

To

The Registrar of Joint Stock Companies.
U/O No.D.989 d.3-3-39.

I am returning the file as Mr. C.R. Campbell has not yet called on me.

P. Nadkarni
REGISTRAR OF JOINT STOCK COMPANIES.
3/4/39.

OFFICE OF THE HON'BLE THE RESIDENT IN MYSORE, BANGALORE.
4 APR. 1939
Diary No. 35-73
File No.

To

The Secretary to the Hon'ble the Resident in Mysore.
U.O.D.No. 2 , dated the 3rd April 1939.

4/4/39

Dy.No.2932 S.N.3

It is not known why Mr.Campbell did not see the District Judge. Though the Govt. of Bengal have approved

7

approved the Rules it seems advisable that before we give sanction, Mr.Campbell should meet the points raised by the District Judge, especially with regard to the definition of 'earnings' (para 9 ante). For orders whether Mr.Campbell may be asked to see the District Judge. The file may ~~then~~ go to the District Judge U/O after the letter issues.

SECY. 18.4.39

Issue draft to Mr. Campbell.

21

What we are asked to do is to approve the Provident Fund Rules to enable the Company to make deductions from wages of members: see Section 7(2)(1) of the Payment of Wages Act. The Company is one of the best known Companies in the world; the scheme is intended for the benefit of their employees and is voluntary, and it has been approved by the Govt. of Bengal. Our criticisms of it should therefore not be directed to points where we think it might be bettered, but to points which deserve such serious criticism that we should not give our consent under the Payment of Wages Act to deductions being made for the purpose of it. With these considerations in mind, I put forward the following remarks on the Dist. Judge's suggestions:

22

Para. 7 of notes. I do not regard this as material.

Para. 8. I imagine that proceedings in respect of the Fund could be taken by a Bangalore employee in Bangalore, and I doubt whether this will be any hardship. The Manager of the Factory will no doubt be authorized to deal with all such matters.

23

Para. 9. It might be extremely difficult in a big factory to have different rates of contribution. We are not concerned with pay between Rs.200/- and Rs.400/- and there is no need to alter the definition which is for the purpose of the Provident Fund Rules; not for the purpose of the Act only.

24 Para. 10. I do not see any objection to the amount being kept in a respectable bank (presumably on deposit partly). Moreover, the Company will of course pay the poorer labourer in cash, and no provision need surely be made.

25 Para. 11. This is a more important point. Presumably the Company's lawyers have framed this Rule in a manner not considered inconsistent with the Act and Rules. I think it should be sufficient to inform the Company that this rule (and indeed the whole set of rules) can only be considered valid in so far as they are consistent with the Payment of Wages Act and Rules issued under it, and it might be advisable to insert a provision to this effect in the rules relating to the Bangalore Company.

26 Para. 12. This appears to be a criticism of some substance, and should, I think, be taken up with the Company.

Para. 13. I do not regard this as material.

27 Will District Magistrate please examine these points, if necessary in consultation with Government Pleader and District Judge. If there are any points of doubt, I suggest that he might ask Mr. Campbell to come and see him. Mr. Campbell wishes the matter to be dealt with expeditiously, and I am afraid there has been some delay in our office.

20/4/39.

DM.vlo.

U/O No.R.Dis.131/1939, dated 21-4-1939.

28

I have discussed the case with the Government Pleader. (Mr.Campbell has left Bangalore).

2. I agree generally with the Secretary to the Resident. The Government's function in this matter is to satisfy themselves that this is a Provident Fund to which employees might properly contribute in the form of deductions from their wages. For this purpose a meticulous scrutiny of the rules appears to be unnecessary; it is in my view sufficient to be satisfied that the rules are generally conceived in the interests of the employee. This is clearly the case, as one would expect with a big company of established repute; and the fund moreover is voluntary.

3. I see no objection to Rule 20. All it does is to create a first charge. In establishing this first charge the law or any rules having the force of law must of course be complied with e.g. section 10 of the Payment of Wages Act (I do not see how Section 9 is concerned). The Government Pleader informs me that a similar provision exists in many other provident funds. It seems to be a quite reasonable provision and it is not inconsistent with any law. I do not myself think it is necessary to inform the Company as suggested by the Secretary to the Resident.

4. I also see no objection to Rule 21. This is conceived in the interests of the employee and is not directed against him. If his Provident Fund is attached or assigned he loses the money just as if it were forfeited whereas if it is forfeited to the management it becomes available for the employee's family. The rule is in fact designed to protect the fund, and the interests of a contributor's dependents in the fund, against the contributor's extravagance or indebtedness.

The Government Pleader informs me that a similar provision appears in other provident funds; and - - -

16

Government Servants' provident funds are of course specifically protected against attachment by the Civil Procedure Code.

5. As pointed out by the Secretary to the Resident apropos of Rule 5, the question of wages above Rs.200/- does not arise; the approval of the Provident Fund by the Government is not necessary in order to authorise deductions in such cases.

6. In my opinion the rules can be approved for the purpose of Section 7(2) of the Payment of Wages Act without further discussion. The Government Pleader is in agreement with this view.

OFFICE OF THE
HON'BLE THE RESIDENT
IN MYSORE, BANGALORE.
5 MAY 1939
Diary No. 4626
File No.....

The Secretary to the Hon'ble the Resident in Mysore, B'lore.
U.O.No.1503-B-39, dated the 5th May 1939.

J.C 29

Please see cor.p.20. Draft submitted.

SECY. 8.5.39

30 Fr approval.
11/5/39.

Resident.

S. N. (5) Issue.

Approved
Record.

PROVIDENT FUND.

EXAMPLES EXPLANATORY OF THE BASIS OF PAYMENTS UNDER RULE 17.

1. A man joins the Provident Fund on the 1st March 1939. He resigns or retires from the employment of a Company on the 28th February 1949; that is to say, after he has been a member of the Fund for 10 complete years.

Assumed earnings at date of retirement.	Assumed amounts standing at credit of account on 31st December 1948.	
	in Member's Part	in Company's part
₨.25/- per month	₨.100/-	₨.100/-

(a)	The amount standing to his credit in the Member's Part of the Account	₨.100.0.0
(b)	His own contributions to the Fund for the 2 months January & February 1949 at 8 pies in the Rupee	₨. 2.1.4
(c)	5/20ths of the amount (₨.100) standing to his credit in the Company's Part of the account	₨. 25.0.0
(d)	5/20ths of 1/24th of ₨.50 (2 months' earnings).	₨. 0.8.4
		₨.127.9.8

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2. A man joins the Provident Fund on the 1st March 1939. He resigns or retires from the employment of a Company on the 31st August 1959; that is to say, after he has been a member of the Fund for 20 complete years and 6 months.

Assumed earnings at date of retirement	Assumed amounts standing at credit of account on 31st December 1958	
	in Member's part	in Company's part
₨.40/- per month	₨.320/-	₨.320/-

(a)	The amount standing to his credit in the Member's Part of the Account	₨.320.0.0
(b)	His own contributions to the Fund for the 8 months January-August 1959 at 8 pies in the Rupee	₨. 13.5.4
(c)	15/20ths of the amount (₨.320) standing to his credit in the Company's Part of the account	₨.240.0.0
(d)	15/20ths of 1/24th of ₨.320 (8 months' earnings)	₨. 10.0.0
		₨.583.5.4

3. A man joins the Provident Fund on the 1st March 1939. He retires from the service of a Company on the 29th February 1964; that is to say, after he has been a member of the Fund for 25 complete years.

Assumed earnings at date of retirement	Assumed amounts standing at credit of account on 31st December 1963	
	in Member's Part	in Company's part
₹.40/- per month	₹.400/-	₹.400/-

(a)	The amount standing to his credit in the Member's Part of the Account	₹.400. 0. 0
(b)	His own contributions to the Fund for the 2 months January & February 1964 at 8 pies in the Rupee	₹. 3. 5. 4
(c)	20/20ths of the amount (₹.400) standing to his credit in the Company's Part of the account	₹.400. 0. 0
(d)	20/20ths of 1/24th of ₹.80 (2 months' earnings)	₹. 3. 5. 4
		₹.806.10. 8

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4. A man joins the Provident Fund on the 1st March 1939. He retires from the service of a Company on the 30th June 1966; that is to say, after he has been a member of the Fund for 27 complete years and 4 months.

Assumed earnings at date of retirement	Assumed amounts standing at credit of account on 31st December 1965	
	in Member's Part	in Company's Part
₹.40/- per month	₹.450/-	₹.450/-

(a)	The amount standing to his credit in the Member's Part of the Account	₹.450.0.0
(b)	His own contributions to the Fund for the 6 months January-June 1966 at 8 pies in the rupee	₹. 10.0.0
(c)	20/20ths of the amount (₹.450) standing to his credit in the Company's Part of the account	₹.450.0.0
(d)	20/20ths of 1/24th of ₹.240 (6 months' earnings)	₹. 10.0.0
		₹.920.0.0

TOBACCO MANUFACTURERS (INDIA) LIMITED.

(Incorporated in the British Isles).

RULES

of the

PROVIDENT FUND.

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1. These Rules shall take effect as from the day of 1939.

2. In these Rules unless there be something in the subject or context inconsistent with the meanings assigned :-

"A Company" means each or any of the following Companies :-

Tobacco Manufacturers (India) Limited.
Cigarette Manufacturers (India) Limited.
Printers (India) Limited.

and any other Company that may for the time being be, for the purpose of a Provident Fund, allied to or associated with any of the abovenamed Companies.

"The Fund" means the Provident Fund constituted under these Rules or other the Rules for the time being in force with respect thereto.

"Member" means any Indian employee of a Company who is employed in a Factory of that Company and has, in the prescribed form signified his intention of becoming a member of the Provident Fund and agreed to be bound by these rules and who has been accepted as a member.

"Earnings" means the amount not exceeding Rs.400 per month paid to an Indian employee whether such earnings are based on monthly, weekly or daily rates or piece-work and includes over-pay and/or overtime and/or any sum which may be paid to such employee by way of bounty.

"Managers" means the persons in whom the management of the Fund shall, for the time being, be vested in accordance with these Rules.

Words importing the masculine gender only include the feminine gender.

3. The Management of the Fund shall be vested in managers in Calcutta. Each of the Companies named in Rule 2 shall have the right to appoint one manager. If any other Company shall at any time be associated for the purpose of a Provident Fund with any of the said Companies, such other Company shall be entitled to nominate a manager. The appointment of a manager shall be made by resolution of the Local Board of the Company concerned in such appointment.

Any Manager may at any time be removed from office, and any vacancy occurring among the Managers shall be filled up by Resolution of the Local Board of the Company concerned in the removal of such Manager or in the filling up of such vacancy.

4. All Indian employees of a Company at a Factory who have been in the employ of the Company for a continuous period of at least two years shall be eligible to become members of the Fund.

A member shall on joining the Fund submit a list of the nominees referred to in Rule 16 and may revise such list from time to time.

5. Each member shall on each pay day contribute to the Fund an amount equal to ~~eight~~ nine pies per rupee on the amount (excluding annas and pies) of earnings received by him.

A Company by which any employee who is a member of the Fund is employed shall deduct from any sum payable to such employee by way of earnings or otherwise, such sum as may be required to pay any contribution due from him to the Fund. All sums so deducted as aforesaid shall be dealt with in the manner prescribed by Rules 7 and 8.

6. For and in respect of each month a Company shall contribute to the Fund a sum equal to the aggregate amount contributed to the Fund in that month by all members employed by it.

7. All such contributions as aforesaid shall be credited monthly to the Fund.

8. An account shall be opened with Lloyds Bank Limited, or any other Bank in Calcutta approved by the Local Boards of the Companies named in Rule 2, in the name of "Tobacco Manufacturers (India) Limited Provident Fund" into which shall be paid :-

(a) All moneys contributed by members by deduction under Rule 5.

(b) All moneys contributed by a Company under Rule 6.

All moneys to the credit of such account shall be dealt with only in accordance with these Rules.

9. All cheques drawn on the Fund's account shall be signed by any two of the Managers for the time being of the Fund.

10. All moneys which, in the opinion of the Managers, are not immediately required for the purpose of the Fund shall be, from time to time, placed on deposit with Lloyds Bank Limited, or such other Bank in Calcutta as aforesaid, for such periods

and on such terms as to interest or otherwise as the Managers in their absolute discretion shall think fit.

11. An account for each member shall be maintained in the books of the Fund. The account shall be kept in two parts, namely "Member's Part" and "Company's Part".

12. The Managers shall in each month credit the Member's Part of the account of each member with the amount contributed to the Fund by the member in that month.

On or after the 1st January in each year the Managers shall, as at the 31st December of the preceding year, out of the amount contributed by a Company under Rule 6, credit the Company's Part of the account of each member employed by it with a sum equal to the amount of the total contributions to the Fund of such member during the preceding year ended the 31st December.

Thereafter the Managers shall ascertain the amount accrued to the credit of the Fund in respect of interest and shall credit, as at the 31st December of the preceding year, the account of each member with a share of the amount so ascertained in proportion to the total amount standing to his credit in the books of the Fund on the preceding 31st December. Such share shall be apportioned between the Member's Part and the Company's Part of the account in proportion to the respective amounts standing to his credit in the Member's Part and the Company's Part of the account on the preceding 31st December. Provided that before crediting any sums under this Rule the Managers shall, in the first place, deduct the expenses of management from the amount accrued to the credit

of the Fund as aforesaid, or, if such amount shall be insufficient, from the amount to be contributed by the Company concerned as aforesaid.

13. A statement of his account, made up to the 31st December of each year, shall be rendered to each member.

14. Except as is by these Rules expressly provided, no member or any person or persons on his behalf, in respect of his interest in the Fund, shall be entitled to claim any payment of money to him or them.

15. On the death of a member the Managers shall, according to the circumstances mentioned in Rule 16, pay to the person or persons mentioned in that rule, the amount (if any) standing to the credit of such member's account as at the 31st December preceding his death, together with the amount in full of his own contributions for the then current year, and a sum equal to the amount of such contributions.

16. If the amount of any moneys payable under Rule 15 shall not exceed Rs.100 and if a Succession Certificate be not produced to the Managers, or if notice in writing of intention to apply for a Succession Certificate with respect to such amount be not given to the Managers within a period of two months from the date of death of such member, or if such notice be given but a Succession Certificate be not produced to the Managers within a period of three months from such date, it shall be lawful for the Managers, on the expiration of the periods of two or three months, as the case may be, to pay the said amount to the widow, children or other relatives of the deceased member as nominated by him from time to time.

If the said amount shall exceed Rs.100 such amount

shall be paid only to the holder of a Succession Certificate with respect to such amount, on the production to the Managers of such Succession Certificate.

17. On the voluntary resignation or retirement of a member from the employ of a Company without the existence of any cause justifying his dismissal, or in the event of a Company not requiring the services of a member and discharging him without cause of complaint, then, if such member shall, at the date of such resignation, retirement or discharge, have been a member of the Fund for five complete years or less, the Managers shall pay to him the amount (if any) standing to his credit in the Member's Part of his account as at the 31st December preceding such resignation, retirement or discharge together with the total amount of his own contributions to the Fund during the then current year.

If such member shall have been a member of the Fund for more than five completed years, the Managers shall pay to him the amounts referred to in the preceding paragraph and shall also pay to him in respect of each completed year of membership in excess of five years one-twentieth part of (a) the amount standing to his credit in the Company's Part of his account as at the 31st December preceding such resignation, retirement or discharge, and (b) an amount equal to the total of his own contributions to the Fund in the said current year. Provided that the total amount payable shall not exceed the total amount standing to his credit, or which would be standing to his credit if all amounts mentioned in this Rule were taken into consideration.

The balance remaining at the credit of the Company's

Part of the account after all proper payments to a member in accordance with this Rule have been made shall be refunded to the Company by which such member was employed, or, if there is more than one such Company, then in proportion to their respective contributions.

18. In the case of the resignation or retirement from the employ of a Company with the previous written sanction of such Company of a member owing to illness, old age or any other cause considered adequate and so certified in writing by such Company, the Managers shall pay to such resigning or retiring member the amount (if any) which shall be standing to the credit of his account as at the 31st December preceding the date of such resignation or retirement together with the amount in full of his own contributions to the Fund during the then current year and a sum equal to the amount of such contributions.

19. If a member shall be dismissed from employment by a Company for any just cause of complaint the Managers shall (subject to the provisions of Rule 20 hereof) pay to him the amount (if any) standing at the credit of the Member's Part of the account as at the 31st December preceding such dismissal and the amount of his own contributions to the Fund during the then current year.

The amount standing to the credit of the Company's Part of such member's account shall on such dismissal be refunded by the Managers to the Company by which such member was employed, or, if there is more than one such Company, then in proportion to their respective contributions.

20. A Company by which a member is employed shall have a first and paramount charge upon the amount from time to time

standing to the credit of the account of a member in the Member's Part of the account for and in respect of all losses, damages, costs and expenses which such Company may at any time sustain, pay or be put to by reason of any act of embezzlement, theft, fraud or default of or by such member, and the amount from time to time standing to the credit of each member in the Member's Part of the account shall be deemed and treated as a deposit made by him with the Company by which he is employed as security for his fidelity and shall be dealt with accordingly, and in the event of any claim by a Company arising against a member under this Rule the said amount or such part thereof as may suffice in this behalf shall be paid by the Managers to the Company concerned in or towards satisfaction of such losses, damages, costs or expenses as aforesaid.

21. No member shall be entitled to draw any money from the Fund against his interest therein or to transfer or assign, whether by way of security or otherwise howsoever, his interest or any part thereof in the Fund, and the Managers shall not recognise or be bound by notice of any such transfer or assignment. Upon any such attempted transfer or assignment such member shall cease to be a Member and thereupon the amount standing to the credit of the Member's Part of his account in

(1) the books of the Fund shall be forfeited for the benefit of

(2) the Fund and the amount standing to the credit of the Company's Part of the account shall be refunded to the Company by which such member was employed, or, if there is more than one such Company, then in proportion to their respective contributions. Further, if any prohibitory order, attachment or process be served upon the Managers or any of them or any person on their

behalf or upon a Company or any person on its behalf by which any moneys standing to the credit of a member in the books of the Fund shall be attached or be ordered to be paid into a Civil Court or to be withheld from such member, then and in any such event the respective amounts standing to the credit of the Member's Part and the Company's Part of such member's account shall be dealt with in the manner above indicated in this Rule.

Provided that the Managers shall be at liberty, if they so think fit, at any time thereafter, to direct thaf the moneys standing to the credit of the Member's Part of the account or any part thereof shall be utilised for the benefit of such member or his wife, children or relatives, and the Managers shall deal with such moneys accordingly.

22. If a member shall at any time be transferred from the employ of one Company to that of another Company referred to in Rule 2, the amount then standing to the credit of his account in the Fund shall remain at such credit and such member shall not retire from membership of the Fund but shall remain a member thereof and he shall continue to make contributions thereto as if his employment with both such Companies had been continuous employment with one such Company and similar contributions shall be made in respect of such a member by the Company to the employment of which he is transferred.

23. A Manager in the exercise of the authorities and discretions hereby vested in the Managers shall be answerable and responsible only for his own acts, receipts, omissions, neglects and defaults, and not for those of any other Manager

nor of any Trust Company, Banker, servant or agent, or any other person, and every Manager shall be indemnified against all proceedings, costs and expenses occasioned by any claim in connection with the Fund and liabilities incurred by him as Manager thereof and shall have a lien on the moneys of the Fund for such indemnity.

24. It shall be lawful for the Companies named in Rule 2, from time to time and at any time hereafter by uniform resolutions of the Local Boards of such Companies to alter or add to these Rules or any of them, and in particular any alterations or additions may be made to these Rules which, in the opinion of the Local Boards of such Companies, are fair and equitable to the companies and the employees in the event of the inauguration, revision or extension of any Government Scheme providing pensions, insurances, retiring gratuities or other benefits. Subject to Rule 26, no such alteration or addition (except such as may be made in consequence of the inauguration, revision or extension of any such Government Scheme as aforesaid) shall affect the right of any member of the Fund in respect of any moneys of the Fund. Provided that any member who does not accept any such alteration or addition shall withdraw from membership of the Fund and upon such withdrawal he shall only be entitled to receive the amount then standing to the credit of the Member's Part of his account in the books of the Fund and the amount then standing to the credit of the Company's Part of the Member's Account in the books of the Fund shall be refunded to the Company by which

such member is employed and if more than one such Company proportionately to all such companies.

Notice of any such alteration or addition as aforesaid shall be deemed to be given by displaying a copy thereof for a period of one week at each Factory of a Company.

25. A Company shall have the absolute right to cease making contributions to the Fund at any time upon giving to the Managers and all members not less than six calendar months notice in writing. Upon the expiration of the said notice, the liability of the members employed by such Company to contribute to the Fund shall cease forthwith. No such member shall be entitled to receive any payment from the Fund until he retires from the service of a Company, or dies, and the amounts standing to the credit of each member's account shall remain in the Fund to be dealt with in accordance with the provisions of Rules 15, 17, 18 or 19, as the case may be.

26. A Company shall have the absolute right at any time to liquidate that part of the Fund relating to the employees of such Company on giving to the Managers and all such members not less than six calendar months' notice in writing. Upon the expiration of the said notice, each such member in respect of whom there exists no cause justifying his dismissal shall be paid by the Managers out of the monies of the Fund an amount equivalent to the amount which such member would have been entitled to receive under the provisions of Rule 17, had he voluntarily resigned or retired or been discharged without cause of complaint, and all other such members shall be entitled to receive and shall be paid by the Managers out of the monies of the Fund an amount equivalent to the amount which

such members would have been entitled to receive under the provisions of Rule 19 had they been dismissed. Any balance remaining to the credit of the Company's Part of the account after all proper payments in accordance with this Rule have been made shall be refunded to the Company by which such members were employed and, if there is more than one such Company, then in proportion to their respective contributions Provided nevertheless that if the Fund, or part thereof as aforesaid, is liquidated with a view to transferring the members to any other Provident, Insurance, Pensions, Retiring Gratuity or similar Fund, the Managers may transfer all monies standing to the credit of the Fund, or that part thereof which is liquidated, at the date of liquidation, to the account of the Provident, Insurance, Pensions, Retiring Gratuity or similar Funds as aforesaid, and in such case the account of each member shall be transferred to such Fund and no member shall be entitled to be paid out any monies as a result of the liquidation aforesaid.

27. The accounts of the Fund shall, as soon as practicable after the 31st December in each year, be audited by two persons to be appointed by the Managers and such auditors shall be entitled to have all facilities for the purpose of investigating the books of the Fund and shall report the result of the audit to the Managers and to the Companies named in Rule 2. A copy of the audited accounts shall be displayed at each Factory of a Company.

28. If any dispute shall at any time arise between the Managers and a Company or between the Managers or the Company on the one hand and any member or any legal representative or

next-of-kin of a deceased member or any person claiming in that behalf or in any other capacity on the other hand, regarding these Rules and the interpretation thereof, or any matter arising thereout or connected therewith, then and in every such case the matter in dispute shall be referred in writing to two Arbitrators, and such reference shall be deemed to be a submission to arbitration within the Indian Arbitration Act, 1899, or any statutory modification or re-enactment thereof for the time being in force, the provisions whereof shall apply as far as applicable.

29. The Managers shall not under any circumstances whatsoever grant or authorise the granting of a loan out of the moneys of the Fund to a member.

17

TOBACCO MANUFACTURERS (INDIA) LIMITED.

(Incorporated in the British Isles)

PROVIDENT FUND

Fund/Enrolment No. _____

Declaration Form

I agree to be enrolled as a member of Tobacco Manufacturers (India) Limited Provident Fund from date. The Rules have been duly read by/explained to me.

Explained by me.

_____ Name in full _____
Father's name _____
Designation _____ Record of Employment No. _____
Date _____
Village _____
P.O. _____
District _____

NEXT-OF-KIN.

Names.	Relationship.	Addresses.
1.		Village _____ P.O. _____ District _____
2.		Village _____ P.O. _____ District _____
3.		Village _____ P.O. _____ District _____
4.		Village _____ P.O. _____ District _____

Date of Application _____

Signature or Mark _____

- - - - - - - - -

Accepted as a Member.

Date _____

Manager.

The reply to this communication should be addressed to the Secretary to the Resident in Mysore, Bangalore, by designation and not by name.

R.Dis. No. F. 131-39
RKK Judl.

(15

FROM

Issued
UMS
10/3/39.

THE SECRETARY TO THE HON'BLE THE RESIDENT IN MYSORE.

To

C. R. Campbell, Esq.,
Factory Manager,
Tobacco Manufacturers (India) Ltd.,
Bangalore.

Dated Bangalore, the 10 March 193 9

PROVIDENT FUND.

SIR,

I am directed to refer to your letter No.G/139, dated the 27th January 1939.

The Hon'ble the Resident would prefer to defer approval until after the Company has obtained the approval of the major Provincial Governments of Provinces in British India where factories of the Company are situated. Will you please inform me when such approval has been obtained? I mentioned to you that the District Judge, Mr. Medappa, had certain remarks upon the draft rules. If you would like to know them, would you arrange to meet him and discuss them with him ?

I have the honour to be,
Sir,
Your most obedient servant,

o/c

for SECRETARY TO THE RESIDENT.

KK

J.C

Tobacco Manufacturers (India) Ltd.

(INCORPORATED IN THE BRITISH ISLES)

HEAD OFFICE IN INDIA.
37, CHOWRINGHEE,
CALCUTTA.

FACTORIES:
MONGHYR, E.I.RY
POSTAL ADDRESS:
BASDEOPUR, P.O.

BANGALORE,
POSTAL ADDRESS:
FRASER TOWN,

SAHARANPUR,
POSTAL ADDRESS:
SAHARANPUR, U.P.

Telephone: No 96.
Telegraph: BACCYMAKE.

P.O. Box 16, Bangalore, 17th March 1939.

PLEASE REFER TO
P/ 21.

CRC/W. PRIVATE &
CONFIDENTIAL.

The Secretary,
to The Hon'ble The Resident in Mysore,
BANGALORE.

Dear Sir,

PROVIDENT FUND.

Withreference to your R.Dis.No.F.131-39 Judl. of the 10th instant, we are notified that the Department of Commerce & Labour, Government of Bengal, has approved the Provident Fund Rules and for your information, we attach a copy of their letter to Messrs. The Cigarette Manufacturers (India) Ltd, Calcutta, on whose behalf approval was requested.

Yours faithfully,
TOBACCO MANUFACTURERS (INDIA) LIMITED.

G.R. Campbell

ENCLOSURE. FACTORY MANAGER.

Copy to/- Tobacco Manufacturers (India) Ltd,
CALCUTTA.

OFFICE OF THE
RESIDENT

2932

D.O. No. R.Dis. 131/39.

(20

TOBACCO MANUFACTURERS (INDIA) LTD.,
(INCORPORATED IN THE BRITISH ISLES.)

COPY

BANGALORE.

No.748-Com.
Government of Bengal.
Department of Commerce & Labour.
Commerce.

Calcutta, the 8th March 1939.

From/- A.Hughes Esq, I.C.S.,
Joint Secretary to the Government of Bengal.

To/- Messrs.The Cigarette Manufacturers (India) Ltd.,
Circular Garden Reach Road,Kidderpore.

Gentlemen,

With reference to your letter No.C.M./P.C.6, dated the 21st January 1939, addressed to the Director of Industries, Bengal, I am directed to say that under Clause (i) of subsection (2) of Section 7 of the Payment of Wages Act, 1936,Government are pleased to approve the Provident Fund proposed to be established by the Cigarette Manufacturers (India) Ltd, for the purpose of deductions from the wages of such of their employees as fall within the purview of the Act on account of subscriptions to the Fund payable by such employees.

I am to add that the approval now accorded is subject to the condition that no substantial amendment shall be made in the Rules of the Fund, a copy of which was submitted with your letter under reference, without the previous approval of Government.

I am further to add that the Labour Commissioner has reported that the level of wages paid in your Factory appears to be equal to or more than the average level prevailing in the locality for work of a similar nature.

I have the honour to be,

Gentlemen,

Your most obedient servant,

Sd/- A.Hughes.

JOINT SECRETARY.

rec'd 22/4/39

Issue 21.4.39

S.N.11

D.O.No.R.Dis.131-39
Judl.

12-4-39

(21

From

The Secy. to the Resident.

To

C.R.Campbell, Esq.,
Manager, Tobacco Manufacturers
(India), Ltd., Bangalore.

My dear Campbell

S.N.13
(Rec)

Please refer to your letter No.P/21, dated the 17th March 1939. I am sorry that there is some delay in disposing the matter in our office. There are one or two points which I have asked the District Magistrate to examine and I ~~hope~~ will see that orders are passed as soon as the papers are received back from him.

Yours sincerely

S.N.5

Issue 13.5.39

Issued 15/5/39 B.

R.Dis. F. No. 131-39.
Judl.

22

PROCEEDINGS OF THE HON'BLE THE RESIDENT IN MYSORE, BANGALORE.

Dated the 15th May 1939.

(M) S.N.1 c.f.1

Read:-Letter No. G/139, dated the 27th January 1939 from the Factory Manager, Tobacco Manufacturers (India) Ltd., Bangalore.

fr. 3063 Civil Court Manual Vol. II

Cf. c.f. 20 (M)

Under clause (i) of ~~S~~ub-section (2) of Section 7 of the ~~P~~ayment of ~~W~~ages Act, 1936 (IV of 1936), as applied to the Civil and Military Station of Bangalore, the Hon'ble the Resident is pleased to approve the Provident Fund ~~proposed~~ to be established by the Tobacco Manufacturers (India) Ltd., Bangalore, for the purpose of deductions from the wages of such of their employees as fall within the purview of the Act on account of subscriptions to the Fund payable by such employees.

2. No Substantial amendment shall be made to the Rules of the Fund forwarded with the letter referred to above without the previous approval of the Resident.

Sd/- A.J. Cartney,
for SECRETARY TO THE RESIDENT.

Copy forwarded to the Factory Manager, Tobacco Manufacturers (India) Ltd., Bangalore.

The Collector and Dt. Magistrate, C.&M. Station, Bangalore for information.

The Dt. Judge & Registrar of Joint Stock Companies etc., for information.

Dc 8.5.39.

L 1/5

Secy

S. N. 7.

21

Tobacco Manufacturers (India) Ltd.

(INCORPORATED IN THE BRITISH ISLES)

HEAD OFFICE IN INDIA.
37, CHOWRINGHEE,
CALCUTTA.

FACTORIES:
MONGHYR, E.I.RY — POSTAL ADDRESS: BASDEOPUR, P.O.
BANGALORE, — POSTAL ADDRESS: FRASER TOWN,
SAHARANPUR, — POSTAL ADDRESS: SAHARANPUR, U.P.

Telephone No. 96.
Telegraph: BACCYMAKE.

R.D. 131-39

R.D.

Fraser Town, Bangalore, 5th January 1942.

SD/R.

PLEASE REFER TO
A/c.121

The Secretary to the Hon'ble
the Resident in Mysore,
BANGALORE.

Dear Sir,

178

PROVIDENT FUND.

S.N. 5
Encl 22
"Y"

Under an order R.Dis.No. F.131-39 Judl. dated 15th May 1939, the Hon'ble the Resident in Mysore was pleased to approve of this Company's Provident Fund for the purpose of deductions from the wages of such employees as fell within the purview of the Payment of Wages Act on account of subscriptions to the Fund payable by such employees.

Clause 2 of this Order lays down that no substantial amendment shall be made to the Rules of the Fund without the previous approval of the Hon'ble the Resident. Since the majority of the members of this Fund at this Factory wish to increase the rate of subscription from 8 pies to 9 pies in the rupee, we wish to alter the rate of the subscription to the Fund with effect from the 1st January 1942, and as this entails the alteration to Rule 5 of the Rules of the Provident Fund we write to ask for the Hon'ble the Resident's approval of this alteration to the rules.

Encl 5
"Y"

As this matter is urgent and we do not anticipate there will be any objection to the proposal, we shall be obliged by your letting us have the Resident's sanction at a very early date.

Yours faithfully,
TOBACCO MANUFACTURERS (INDIA) LIMITED.

BRANCH ACCOUNTANT.

S. N. 8.

Issw 8/1

Issued 9/1

P.4.c S.N 7

→ Pages 4-17 "Y"

R.Rao 7.1.42

No.R.F.131-39 Judl. Dated 9th Jany.1942. 125

Proceedings of the Hon'ble the Resident in Mysore, Bangalore.

Read:

Letter from the Tobacco Manufacturers (India) Ltd., Bangalore, No. A/c.121 dated the 5th Jany.1942.

O r d e r.

The Hon'ble the Resident is pleased to approve the amendment to rule 5 of the Provident Fund Rules increasing the rate of contribution of members from 8 pies to 9 pies in the rupee. ~~on the amount of earnings received by him.~~

Sd/- A. Macann

Secretary to the Resident.

Copy forwarded to

The Factory Manager, Tobacco Manufacturers (India) Ltd.,B'lre.

The Collector,
The Dt.Judge and Regr. of Jt.Stock Cos.,
Civil and Military Stn.,B'lre.

S.N.9

Tobacco Manufacturers (India) Ltd.

(INCORPORATED IN THE BRITISH ISLES)

HEAD OFFICE IN INDIA: 37, CHOWRINGHEE, CALCUTTA.

FACTORIES: MONGHYR, E.I.RY. POSTAL ADDRESS: BASEOPUR, P.O. | BANGALORE, POSTAL ADDRESS: FRASER TOWN, | SAHARANPUR, POSTAL ADDRESS: SAHARANPUR, U.P.

Telephone No 96. Telegraph: BACCYMAKE.

OFFICE OF THE RESIDENT IN MYSORE, BANGALORE.
28 AUG 1942
Diary No. 9991
File No.

P.O. Box 16, Bangalore, 26th August 1942.

Regd

PLEASE REFER TO A/c.769

SD/S

PRIVATE

The Secretary to the Hon'ble the Resident in Mysore,
BANGALORE

Dear Sir,

PROVIDENT FUND

S.N.5
C.p. 22

Under your R.Dis.No.F.131-39/Judl. dated the 15th May 1939, the Hon'ble the Resident in Mysore was pleased to approve of this Company's Provident Fund for the purpose of deductions from the wages of such employees as fell within the purview of the Payment of Wages Act on account of subscriptions to the Fund payable by such employees,

S.N.8
C.p. 25

Further, under your R.F.131-39/Judl. dated the 9th January 1942, the Hon'ble the Resident in Mysore was pleased to approve an amendment to Rule 5 of the Provident Fund Rules increasing the rate of contribution of members from 8 pies to 9 pies in the Rupee.

We now wish, with effect from 1st September 1942, to make a further amendment to Rule 5 of the Rules of the Provident Fund, increasing the rate of contribution of members from 9 pies to 1 anna in the Rupee, and we write to ask for the sanction of the Hon'ble the Resident in Mysore to this amendment.

We shall be obliged by your treating this matter as urgent and letting us have the Resident's sanction at a very early date.

Yours faithfully,
TOBACCO MANUFACTURERS (INDIA) LIMITED.

BRANCH ACCOUNTANT

Copy to/ T.M.(I) Ltd., Legal Department, Calcutta.

S. N. 10.

Issued 27 3/9

DEPARTMENT. No.R.F.131-39 Judl. File No.

BRANCH. Serial No.

1550 2/9

Draft Letter / Memorandum / Telegram

Class for telegrams	INLAND:	FOREIGN:
	Immediate	Immediate
	Important	Important
	Express	Ordinary
	Ordinary	Without priority

No. Dated 3rd Sept. 19 42.

Proceedings of the Hon'ble the Resident in Mysore, Bangalore.

Read:

Letter from the Tobacco Manufacturers (India) Ltd., Bangalore, No.A/c.769 dated the 26th August 1942.

O r d e r.

The Hon'ble the Resident is pleased to approve the amendment to rule 5 of the Provident Fund Rules increasing the rate of contribution of members from 9 pies to 1 anna in the rupee.

1.9.4

Secretary to the Resident.

Copy forwarded to

The Factory Manager, Tobacco Manufacturers (India) Ltd., Bangalore.

The Collector,

The District Judge and Registrar of Joint Stock Companies,

Civil and Military Station Bangalore.

B Rao 31.8.42

To be issued on

1st Reminder

2nd Reminder

3rd Reminder

Heading:

Case or Diary No.

If post copy of telegram required

Date of despatch of above

List of enclosures

Issued on P.4.c S.N.9

pp. 4-17

(Code word for telegrams.)

7.2.19

S. 5.
MGIPC—S5—1595(S&P)MFP—(M-944)—6-3-39—60,000 Pads

5.7.43

128

Tobacco Manufacturers (India) Ltd.

(INCORPORATED IN THE BRITISH ISLES)

HEAD OFFICE IN INDIA.
37, CHOWRINGHEE,
CALCUTTA.

FACTORIES:
MONGHYR, E.I.RY
POSTAL ADDRESS:
BASDEOPUR, P.O.

BANGALORE,
POSTAL ADDRESS:
FRASER TOWN,

SAHARANPUR,
POSTAL ADDRESS:
SAHARANPUR, U.P.

Telephone No 96.
Telegraph: BACCYMAKE.

Fraser Town P.O
~~PO BOX 16~~, Bangalore, 3rd July 1943.

CRC/R.

PLEASE REFER TO
G/111

OFFICE OF THE
[illegible]
IN MYSORE, BANGALORE.
5 JUL 1943
Diary No. 7080
File No.

The Secretary to the Hon'ble the
Resident in Mysore,
BANGALORE.

Dear Sir,

PROVIDENT FUND.

After correspondence with the Governments of Bengal and Bombay, it has been decided, at the request of those Governments to amend this Company's Provident Fund Rules by:-

(1) the deletion of Rule 20; and
(2) the substitution of the words "the aggregate amounts contributed to the Fund from time to time by a Company" for the words "the moneys of the Fund" in Rule 23.

Please let us have the formal approval of the Hon'ble the Resident in Mysore to these amendments to this Company's Provident Rules for the purposes of Section 7(2)(i) of the Payment of Wages Act, 1936.

For your reference the Provident Fund Rules were originally approved by the Hon'ble the Resident in his Order R.Dis.No.F.131-39/ Judl. of the 15th May 1939, and we give below a copy of Rules 20 and 23 to which we refer and which appear in the copy in your possession:-

"" 20. A Company by which a member is employed shall have a first and paramount charge upon the amount from time to time standing to the credit of the account of a member in the Member's part of the account for and in respect of all losses, damages, costs and expenses which such Company may at any time sustain, pay or be put to by reason of any act of embezzlement, theft, fraud or default of or by such member, and the amount from time to time standing to the credit of each member in the Member's part of the account shall be deemed and treated as

a deposit made by him with the Company by which he is employed as security for his fidelity and shall be dealt with accordingly, and in the event of any claim by a Company arising against a member under this Rule the said amount or such part thereof as may suffice in this behalf shall be paid by the Managers to the Company concerned in or towards satisfaction of such losses, damages, costs or expenses as aforesaid.

23. A Manager in the exercise of the authorities and discretions hereby vested in the Managers shall be answerable and responsible only for his own acts, receipts, omissions, neglects and defaults, and not for those of any other Manager nor of any Trust Company, Banker, servant or agent, or any other person, and every Manager shall be indemnified against all proceedings, costs and expenses occasioned by any claim in connection with the Fund and liabilities incurred by him as Manager thereof and shall have a lien on the moneys of the Fund for such indemnity. ""

Yours faithfully,
TOBACCO MANUFACTURERS (INDIA) LIMITED.

G.R. Campbell

FACTORY MANAGER.

(30)

No.R.F.131/39/Judl. D/- 9th July 43

Proceedings of the Hon'ble the Resident in Mysore, Bangalore.

Read:-

Letter from the Tobacco Manufacturers (India) Ltd.Bangalore No.G/111 d/- 3rd July 1943, proposing certain amendments to the Company's Provident Fund Rules for the purposes of section 7(2)(i) of the Payment of Wages Act,1936.

Order

The Hon'ble the Resident is pleased to approve the following amendments to the Provident Fund Rules:-

(1) the deletion of rule 20; and

(2) the substitution of the words "the aggregate amounts contributed to the Fund from time to time by a Company" for the words "the moneys of the Fund" in rule 23.

7.7.43.
Secy. to the Resdt.

Copy forwarded to:-

The Branch Manager, Tobacco Manufacturers (India) Ltd.
The Collector,
The D.J. and Regr. of Joint Stock Cos., C. and M.Station,Bangalore.

6.7.43.

DEPARTMENT.

BRANCH.

File No.

Serial No.

Draft

Letter / Memorandum / Telegram

Class for telegrams

INLAND:	FOREIGN:
Immediate	Immediate
Important	Important
Express	Ordinary
Ordinary	Without priority

No. Dated 19

To

To be issued on

Issued on

1st Reminder

2nd Reminder

3rd Reminder

Heading:

Case or Diary No.

If post copy of telegram required

Date of despatch of above

List of enclosures

(Code word for telegrams.)

S. 5.

MGIPC—S5—1595(S&P)MFP—(M-944)—6-3-39—60,000 Pads

J.C.

No. 3517-B-43.

Office of the Collector,
Civil and Military Station,
Bangalore, 14-7-43.

From

The Sheristadar,
Office of the Collector,
C & M Station, BANGALORE.

To

The Superintendent,
Resident's Office,
BANGALORE.

Subject: Company's Provident fund Rules-amendements to- Proceedings of H.R.-S.R's letter No. R.F.\131-39/Judl, dated 9-7-43. C.P. 30

Please send for the use of this office a latest amended copy of the company's Provident Fund Rules for which the amendments referred to in the above letter have been approved of by the Hon'ble the Resident.

M. Eretharaffa
SHERISTADAR.

15 JUL. 1943